

IN THE SENATE OF THE UNITED STATES.

FEBRUARY 14, 1860.—Ordered to be printed.

Mr. CLAY made the following

REPORT.

[To accompany Bill S. 16.]

The Committee on Commerce, to whom was referred "a bill repealing all laws or parts of laws allowing bounties to vessels employed in the Bank or other codfisheries," have had the same under consideration, and report:

That after a careful and elaborate examination of the whole subject of fishing bounties and allowances, the committee have been irresistibly led to the conclusion that they originated in the fallacious, but now almost universally exploded theory of refunding to the manufacturer, on establishing the fact of reexportation, the amount of duties paid on the raw material entering into the product of his industry and skill. These gratuities, whether granted in the shape of drawbacks, allowances, or bounties, according to the phraseology of the law authorizing them, were founded and dependent upon the salt duty. This is proven by their origin and history, by the memorials of the fishermen praying for them, by the reports of committees, and by the acts allowing them, and by the debates of Congress.

The first petition touching the subject on the files of the government was from the Massachusetts legislature, presented to Congress in 1790, and referred to the Secretary of State (Mr. Jefferson) for a report. This petition asked a drawback of the duties, or as they styled it, "a remission of duties on all the dutiable articles used in the fisheries; and also premiums and bounties." Mr. Jefferson recommended the allowance of drawback of duty, but opposed the allowance of premiums and bounties, declaring that "*the fisheries were not to draw support from the treasury.*" This drawback was confined to the duty on salt used upon exported fish, and no drawback or remission of duties was ever allowed upon those other articles mentioned in the petition, by any act of Congress.

1. The first tariff act, July 4, 1789, imposed on salt the duty of six cents per bushel, and granted a bounty of five cents a barrel on pickled fish exported, and also on beef and pork exported, and five cents a quintal on dried fish exported. It declared these bounties to

be "*in lieu of a drawback of the duties imposed on the importation of the salt employed and expended thereon.*" Limited to seven years.

2. The next act, August 10, 1790, doubled the duty on salt, and doubled the bounty and allowances on salt-cured and exported fish, pork, and beef. These bounties and allowances were described by the act to be "*in lieu of drawback of the duty on salt used in curing fish and provisions exported.*"

3. The act of February 16, 1792, shifted the bounty from the "quintal" of dried fish to the tonnage of the fishing vessel, and the payment of the allowance from the shipper or exporter of the fish to the owner of the fishing vessel, and changed its name from "bounty" to "allowance." This was done on the petition of the fishermen themselves, who said "that the bounty granted to the fishery by Congress as a compensation for the duty on salt will not operate to that effect so effectually as if paid direct into the hands of the owners of the vessel, instead of 'the shippers of the fish.'" The act declares: "*That the allowance now made upon the exportation of dried fish*" &c., "*in lieu of a drawback of the duties paid on the salt used in preserving the same shall cease,*" &c., "*and as a computation and equivalent thereof, there shall be paid on the last day of December annually to the owner of every vessel, or his agent,*" &c., on vessels between five and twenty tons \$1 per ton; between twenty and thirty tons \$1 50, and above thirty tons \$2 50; provided that no vessel shall be allowed more than \$170. This act is the basis of the present system of tonnage allowances, and the construction given it by the fishermen who invoked it, by its advocates in Congress when discussing it, and by the Treasury Department subsequently, prove beyond doubt or question that it merely changed the mode of payment, but did not increase it, and was designed to refund drawback of the salt duty, and not afford bounty. When this bill was discussed, Mr. Goodhue, of Massachusetts, (February 3, 1792,) said:

"The object of the present bill is only to *repay the same money* into the hands of those persons who are immediately concerned in catching the fish, and there can no reasonable objection be made to *such a transfer of the drawback*, as government will not lose a single dollar by the change. The gentleman from Virginia, (Mr. Giles,) talks of the unconstitutionality of granting bounties; but no bounty is required."

He read a calculation to prove his assertion, and to show that the United States would probably save a thousand dollars *per annum* by the proposed change. Mr. Ames, of Massachusetts, said:

"Though the whole is intended for the benefit of the fishery, about one-fourth of what is paid is not so applied; there is a heavy loss both to government and the fishery." * * * "The bounty is not paid till the exportation, nor then, till six months have elapsed; whereas the duty on salt is paid before the fish is taken—it is paid to the exporter, not to the fishermen. The bounty is so indirect that the poor fisherman loses sight of it." * * * "Passing through so many hands, and paying so many profits to each, it is almost absorbed." * * *

"Yet, instead of asking bounties, or a remission of duties on the article consumed, *we ask nothing but to give us our money back, which*

you received under an engagement to pay it back in case the article should be exported." * * * *

"The drawback falls near nine thousand dollars short of the salt duty received by the government." * * * *

"We rely on the evidence before you, that the public will not sustain the charge of a dollar."

Mr. Gerry, of Massachusetts, said:

"It is now proposed to make a further commutation; gentlemen call this a bounty on occupation; but is there any proposition made for paying to the fishermen, or other persons concerned in the fishery, any sums which we have not previously received from them? If this were the case, it would, indeed, be a bounty; but, if we beforehand receive from them as much as the allowance amounts to, there is no bounty granted at all."

Mr. Livermore, of New Hampshire, said, 6th February, 1792:

"It does not lay a farthing of bounty or duty on any other persons than those who are immediately concerned in it. It will serve them, and will not injure anybody."

Mr. Lawrence, of New York, said:

"From examining the section, he conceived it contemplated no more than what the merchant is entitled to under the existing laws. The merchant is now entitled to the drawback, but it is found by experience that the effect has not been to produce that encouragement of the fishermen it was expected; and he presumed the way was perfectly clear to give a new direction to the drawback, and this is all that is aimed at in the bill."

Mr. Madison, of Virginia, combated, in an elaborate argument, the doctrine of the "general welfare," then first put forth by General Hamilton, and supported the bill expressly on the ground that it was a mere commutation of drawback, but no bounty. He said:

"I think, however, that the term bounty is in every point of view improper, as it is here applied, not only because it may be offensive to some, and, in the opinion of others, carries a dangerous implication, but also because it does not express the true intention of the bill, as avowed and advocated by its patrons themselves. For if, in the allowance, nothing more is proposed than a mere reimbursement of the sum advanced, it is only paying a debt; and when we pay a debt we ought not to claim the merit of granting a bounty."

Mr. Bourne, of Massachusetts, said:

"The object of the first section in this bill is intended for the relief of the fishermen and their owners. They complain that the law now in force was meant for their benefit, by granting a drawback on the fish exported; this they find by experience is not the case, for they say that neither the fishermen who catch the fish, nor the importer of the salt, receive the drawback; and I rather suppose, sir, it is the case."

4. The act of May 2, 1792, increased the salt duty by requiring each fifty-six pounds to be reckoned as a bushel, (for the measured bushel of solar salt, used in the fisheries, usually weighed from 70 to 80 pounds,) and added 20 per cent. to the bounties and allowance on tonnage. Limited to two years.

5. The act of July 8, 1797, raised the salt duty from 12 to 20

cents a bushel, and added $33\frac{1}{3}$ per cent. to the fishing bounties. Limited to two years, and the end of the next session of Congress.

6. The act of April 12, 1800, continued the allowance on tonnage of fishing vessels for ten years, in lieu of drawback of salt duties: "*Provided, that the said allowances shall not be understood to be continued for a longer time than the correspondent duties respectively, for which said additional allowances were granted, shall be payable.*"

7. The act of May 7, 1800, continued the salt duty for ten years, and with it the bounties and allowances.

8. The act of March 3, 1807, repealed the salt duty and all acts granting bounties on exported fish, and "allowances to the owners and crews of fishing vessels, *in lieu of drawback of the duties paid on salt used by the same,*" from and after the 1st January, 1808. This act was passed on the recommendation of President Jefferson, by an almost unanimous vote of Congress; all the republicans voted for it, and all the federalists but five.

9. The act of June 28, 1809, authorizes accounting officers to credit collectors for sums "paid for allowances to the owners and crews of fishing vessels, *in lieu of drawback of duties on salt used by the same,* to 31st December, 1807." Up to this repeal of the salt duty, the same bounties, (as they were called,) in lieu of drawback of that duty, were given to the exporters of salted beef and pork, that were given to exporters of salted fish.

10. The act of July 29, 1813, revived the salt duty, and the bounties and allowances, fixing the duty at 20 cents per bushel on salt, the bounty at 20 cents per barrel of pickled fish exported, and the allowance on tonnage of vessels engaged in the codfisheries, for four months or upwards, at \$1 60 to vessels of five and less than twenty tons, \$2 40 to vessels of twenty to thirty tons, and \$4 to vessels above thirty tons, for each and every ton; provided the allowance to no vessel for one season should exceed \$272.

This act was reported by the Committee of Ways and Means, as a revenue measure, for the support of the war, and was limited to the duration of the war with Great Britain; and "for one year thereafter, and no longer."

11. The act of February 9, 1816, declared the last named act "shall be and the same is hereby continued in force," without limiting its duration. It was continued upon the ground that *it was necessary to pay the war debt*, as will appear by the recommendation of the Secretary of the Treasury, and the report of Mr. Lowndes, the chairman of the Committee on Ways and Means. It was estimated that \$13,500,000, applied to that debt annually, would extinguish it in twelve years; and the act of 1813 above cited was continued, impliedly, for that period, or till the war debt was extinguished. Other taxes and duties were continued at the same session, in the same language, and for the same reason. Hence there is not the slightest ground for alleging that the continuance of the act of July 29, 1813, was through favor of the fisheries.

12. The act of March 1, 1817, requires proof that three-fourths of the crew of any fishing boat or vessel are "citizens of the United States, or persons not the subjects of any foreign prince or state;"

which was the first act requiring any of the crew to be citizens of the United States, or not to be aliens. Previous to that act all the crew of a fishing vessel might have been foreigners, and even at this time one-fourth may be foreigners, and the other three-fourths persons not citizens of the United States; provided they are not subjects of any foreign prince or state.

13. The act of March 3, 1819, uses the word *persons*, instead of citizens, in describing the crews of fishing vessels, and increases the allowance to \$3 50 to vessels of five and not more than thirty tons, and \$4 if above thirty tons; provided no vessel, for one season, shall receive more than \$360.

This is the first and only act where the fishing bounty or allowance did not expressly depend upon the salt duty, by its terms; and upon this absence of positive allusion to the salt duty alone rests the assertion that the allowances were made without consideration of that duty, for the sake of nurturing seamen. But even this slender support of that assertion is swept away by a small bit of testimony, and a simple calculation. In 1816, when the act of 29th July, 1813, was continued, Mr. Reed, of Massachusetts, maintained that the tonnage allowance of that act was not equal to the duty on the salt used in the codfisheries. Such was perhaps the fact. It was said by the fishermen and their advocates that it required a *measured* bushel of salt for a barrel of pickled fish or a quintal (112 pounds) of dried fish. The measured bushel weighed about 80 pounds, (instead of 56, which was the custom-house bushel,) and the duty on it amounted to about 30 cents. They further said, that each vessel would catch and cure about 12 quintals of fish for each ton of the vessel. Therefore, the allowance was fixed at the duty of 30 cents per bushel, multiplied by twelve, which would give \$3 60 for each ton of the vessel. If a vessel above thirty tons caught and cured more than 12 quintals to the ton, it did not get the full drawback of the salt duty, and if one of less than 30 tons caught and cured as much as 12 quintals, it got less than the drawback. Again, in 1789, the Marblehead committee of fishermen, in their memorial, said a vessel of 65 tons paid \$80 25 duty on her salt, when the duty was 6 cents; which, if true, would make the same vessel pay \$401 25, when the duty was 30, being \$41 25 above the maximum allowance of the act of 3d March, 1819. It was, therefore, because it was believed the allowance of the act of July 19, 1813, did not equal the amount of duty on the salt consumed in curing codfish, that the allowance was increased by the act of 1819.

Thus, it appears, that the allowances on tonnage of vessels employed in the Bank, or other codfisheries, were given in lieu of the drawbacks of the duties on the salt used in curing the exported fish, and not for the sake of fostering a nursery of seamen. These allowances are always found in the salt acts and not in the fishing codes, where they would properly be, if Congress intended to give bounty to fishermen and to nurture seamen, instead of returning duties paid by them. These allowances were contingent upon the salt duty, which they always accompanied; originating with it, rising with it, falling with it, and reviving with it. Like allowances were made in the same acts

to exporters of salted beef and pork previous to the act of 3^d March, 1807, which repealed all allowances both to fishermen and farmers. No drawback or remission of duty was allowed on other imported articles, used by the fishermen as prayed for by them, because they were consumed and not exported, like salt, with the fish. All the acts were limited to a few years, that of 1789 to seven years; of 1792 to two years; of 1797 to two years, and till the end of the next session of Congress thereafter; that of 1800 to ten years, which was cut down to seven by the act of 1807; that of 1813 to the close of the war, and one year thereafter; and that of 1816, impliedly, to twelve years, or till payment of the war debt; which shows that they were not intended to establish schools for seamen. No allowance or bounty was ever asked or granted to whale fishermen, because they did not use salt in preparing whale oil, or whalebone; and were not taxed with a heavy salt duty. The account of the allowances has always been kept and stated by the Treasury Department, together with that of the salt duty; the allowance being estimated in bushels of salt, according to the existing duty at the time, and deducted from the gross importation of the year, and the net revenue then calculated on the remainder. And, lastly, up to March 1, 1817, all these allowances or bounties might have gone to foreigners, which would have been entirely consistent with drawback, or a return of duty paid on salt that was exported, but utterly inconsistent with a system for training seamen for the United States. Even that act only requires three-fourths of the codfishermen of a vessel "to be citizens of the United States, or *persons not the subjects of any foreign prince or state*"—which persons may be black, red, or copper-colored. But even this requirement seems abolished by the act of March 3, 1819, which gives the allowance to *persons*, without distinction of color, country, or allegiance. Surely it was not the purpose of any Congress to make seamen of foreigners, or of those who owe no allegiance to our government!

For many years past the codfisheries have been drawing support from the treasury, or getting bounty contrary to the meaning of the laws giving allowances on tonnage—to the avowed purpose of all their advocates in framing those laws—to the prayers and expectations of the fishermen, expressed in their petitions for those laws—to their construction by friends and foes until within the last twenty years—and to the spirit of the Federal Constitution. They have realized bounties not by legislation for their benefit, or by any change of policy towards them by Congress, but from a reduction of the salt duty. Up to 1830, if they got more than drawback it was an inconsiderable excess; unless, forsooth, the fishermen, and their champions in Congress, exaggerated the quantity of fish taken, and of salt used by them. But in that year the salt duty was reduced from twenty to fifteen cents on the bushel of fifty-six pounds; in 1832 to ten cents; in 1833, by the compromise act, a prospective scale of reduction was made, under which the duty sunk to less than seven cents in 1840; and at this day it is but 1.54 cents! Yet, from 1830 till to-day, they have gotten allowances equal to thirty cents duty! The accompanying table shows the large bounties they have realized, and the small drawbacks due them since 1847:

Table exhibiting the tonnage of vessels engaged in the codfisheries, the allowances paid, &c., from 1848 to 1859.

Years.	Tonnage of vessels engaged in codfisheries.	Allowance paid to fishing vessels.	Sums due as drawback.	Excess of bounty over drawback.
1848	82,652	\$243,434	\$22,811 95	\$220,622 05
1849	73,882	287,604	21,809 96	265,794 04
1850	85,646	286,796	22,507 76	264,288 24
1851	87,476	328,267	25,193 08	303,073 92
1852	102,659	304,569	26,855 59	277,713 41
1853	99,990	323,199	24,837 51	298,361 49
1854	102,194	374,286	31,271 36	343,014 64
1855	102,928	346,196	32,484 07	313,711 93
1856	95,816	271,838	29,319 69	242,518 31
1857	104,573	464,178	29,238 61	434,939 39
1858	119,254	389,500	23,612 29	365,887 71
1859	129,637	426,962	23,956 91	403,005 99
Twelve years.....	1,186,717	4,046,929	313,896 78	3,732,930 22

Average tonnage per year for twelve years.....	98,890
Average allowance per year for twelve years	\$337,244 08½
Average sum due as drawback per year for twelve years.....	26,141 39
Average excess of bounty over drawback for twelve years	311,077 51
Aggregate excess of bounty over drawback in the last twelve years.....	3,732,930 12

The above table does not fairly exhibit the tax on the people of the United States of this system, whose fathers—Ames, Gerry, Goodhue—all protested would not cost the public a single dollar! The table rests on the hypothesis that the fishermen import their salt, whereas they are supplied with the larger part of it by the Massachusetts salt manufacturers; and that the crews catch and cure twelve quintals of fish to the ton, and use a measured bushel of salt for each quintal, whereas we are told by those who should know the facts, that they average only about nine quintals to the ton. If this be true, we should add at least twenty-five per cent. to the above estimate of bounty. Add to this tax from two to thirty per cent. for collecting and disbursing this bounty, and the expense of the revenue boats and revenue cutters (the latter costing about \$11,000 annually) on the New England coast, employed in watching the fishermen to prevent their violating the law and defrauding the treasury.

If we may credit the common testimony of the collectors and other officers of the Treasury Department in the fishing districts, for more than forty years past, we must believe, that despite all the expensive guards placed by the government over the fishermen, they often get allowances when not entitled to them by law, and that these bounties, (as said by Secretary Guthrie,) “instead of furnishing encouragement for seamen, mainly encourage the commission of multiplied perjuries, and tend to the demoralization of a large class of the community.”

The committee refer senators to the letters of the present Secretary of the Treasury, and of his immediate predecessor, accompanying this

report, which are based upon volumes of testimony on file in the department.

The arguments commonly used in support of these bounties are, that the codfisheries cannot live without them, that they furnish a cheap nursery for seamen, and that the codfishermen did great and gallant services in both our wars with England.

The committee think the annexed table, (A.) showing the capital, tonnage, men employed, value of fish and oil, &c., of the codfisheries, compiled from official returns of the industry of Massachusetts, for the year ending June 1, 1855, to which the committee add the *per centum* of gross earnings on capital, prove that those fisheries do not need the bounty. And in further support of this opinion, they state that the mackerel-fishery has prospered and increased as much as the codfishery, unaided by bounty, although pursued in similar vessels, in the same waters, at the same season of the year, with like hazards, dangers, and toils; and the whale-fishery of the United States, without a cent of bounty, has outstripped that of all other nations, although fostered by high and long-continued bounties.

Certainly the mackerel, whale, and other fisheries, and the merchant marine, furnish as good schools for training seamen, without costing the government a dollar, or imposing any tax upon the people.

If the codfishermen rendered the country great and gallant services in her wars, they may justly claim her praise, but not her bounty, or tribute money, exacted from other patriotic fishermen, mariners, and soldiers. They realized in both wars rich harvests in prize money, and were better compensated than the soldiers who fought as well for their country, and who might with better reason claim her bounties.

The fishermen have always been, and are now, more favored than any other class of our citizens. They complained of the duty on salt; they were relieved of that by drawback, and allowance in lieu of drawback, and at this day the salt duty is only about one cent and a half per bushel. They complained of other duties, imposts, and taxes; some of which have been repealed, and others are but nominal. They complained of want of privilege of fishing on the coast of the British provinces, and dry-curing their fish on land; that is now secured to them by our reciprocity treaty with Great Britain. They complained of want of a market for their fish; they have now a home market for all the fish they can take, and near thirty millions of purchasers. They complained of the difficulties of their coast; they are now better guarded against its dangers by lights, life-boats, revenue cutters, &c., than the people on any other part of our coast. Besides, many of them are ship-builders, and many are coasters, and they enjoy a monopoly, both of ship-building and of coast-trading. The government has lavished upon them its favors, in the way of drawbacks, exemption from duties, reduction of duties, and monopolies, and yet, it is said, it will be dealing hard with them to take from them this bounty, which they have enjoyed for thirty years.

The committee do not think it expedient or just to levy contributions on all other kinds of labor for the support of the codfisheries; and, if both expedient and just, they hold with Mr. Jefferson, Mr. Madison, and, indeed, nearly all those who aided in 1792 in adopting

the system of allowance on tonnage which now exists, that the fisheries should not draw support from the treasury because it is unconstitutional. They have found no advocate of the constitutionality of bounties at that period, but General Hamilton, who derived it from the power "to lay and collect taxes, duties, imposts, and excises, to pay the debts, and provide for the common defense and *general welfare*." Mr. Madison, in reply, effectually refuted this argument, and exploded the "general welfare" doctrine; declaring that it was "never before entertained by the friends or enemies of the government;" and that, if accepted, "everything, from the highest object of State legislation down to the most minute object of police, would be thrown under the power of Congress," * * * "and might be called, if Congress pleased, provisions for the general welfare."

The committee append tabular statements from the Treasury Department of the tonnage, crews, allowances, and bounties, of the fisheries; allowances paid to each State; vessels, men, and tonnage in the fisheries of each State; rate of duty on salt for a period of years, &c.

In conclusion, the committee propose two amendments, and recommend that the bill, as amended, be passed by the Senate.

1.

TREASURY DEPARTMENT,
January 6, 1858.

SIR: I have the honor to acknowledge your letter of the 5th instant, inclosing a bill repealing all laws or parts of laws allowing bounties to vessels employed in the Bank or other codfisheries, and a resolution of the legislature of the State of Maine in relation to the bounty on codfisheries. You request any information in this department concerning the measure, and also my own views respecting the same.

Allow me to refer you to a letter dated the 2d of January last, addressed to you by my predecessor, which embraces the results of an examination made here, and to the report of an agent appointed to examine into this subject in the districts where this fishery is carried on, appended to the annual report of my predecessor of 6th December, 1853, for the information you request.

It would seem that the grounds upon which the fishing bounty was given by law have ceased to exist. The amounts annually paid out of the treasury on account of this bounty now exceed the entire sums received for duties on salt imported and consumed for all purposes whatever.

In his report, before referred to, my predecessor recommended that the fishing bounty be repealed, and I concur in that recommendation. The papers inclosed with your letter are herewith returned.

Very respectfully, your obedient servant,

HOWELL COBB,
Secretary of the Treasury.

Hon. C. C. CLAY, Jr.,
Chairman Committee on Commerce, Senate U. S.

2.

TREASURY DEPARTMENT,
January 2, 1857.

SIR: Agreeably to your request, I herewith inclose a synopsis of the legislation on the subject of bounty to vessels engaged in the codfishery.

It is apparent, from the slightest glance at these provisions, that they were not intended to foster that pursuit, but simply to relieve that fishery from the burden imposed on it by the salt duty. In 1792, when this system commenced, all the salt used in this country was imported, and was subject to duty. Vast quantities of this salt were then employed in curing codfish to be dried for exportation. It was a leading pursuit on the eastern Atlantic coast, and furnished the country with one of its principal staples for foreign commerce. The guards required by the drawback laws would subject the codfishery to impracticable details to enable it to reclaim the duty on the salt necessarily consumed. The only just and effectual mode which could be devised for indemnifying the fishery against this burden of duty was to give a bounty on the tonnage employed, graduated according to the quantity of salt consumed by each class of vessels.

The only feature in the bounty laws which can be regarded as intended to afford the slightest encouragement to the codfishery is that which provides that no bounty shall be allowed to any vessel unless the crew are compensated according to the quantity of fish caught by each man. This provision was not, probably, intended as an encouragement to the fishery, but to promote rivalry and enterprise among the crew; that the mere fact that the vessel had a crew on board should not be sufficient, unless they diligently followed the fishery, which this condition was well calculated to effect.

It will be seen that the original bounty law of 1792 was repealed with the salt duty in 1807. When the duty on salt was reimposed in 1813, in consequence of the then existing war, the former bounty laws were reenacted with similar conditions.

When the bounties were increased to their present rate per ton on fishing vessels, by act of 3d March, 1819, the duty on salt, under the act of 27th April, 1816, was 20 cents for every 56 pounds.

The present duty, under the act of 1846, is 20 per cent. ad valorem, which, on the importation of 15,405,864 bushels last year, valued at \$1,991,065 by the custom-house books, makes the duty within a fraction of 2.57 cents per bushel.

It is to be understood that since 1792, the date of the original law, a revolution has occurred in the mode and object of the fisheries. There was then no mackerel-fishery; it is now more extensive and important than the codfishery. Many of the vessels under codfishing licenses are employed in catching fish, not for dry-curing under the bounty laws, but for sale in a fresh condition, being preserved in ice for consumption in that state in the cities, as well as throughout the interior of the country, to which it is carried by means of the railroads. The great change which has taken place of late years in the manner

and purpose of the fisheries, has led, not to the encouragement of the codfishery under the bounty laws, but to the commission of perjuries for the purpose of obtaining bounty under those laws. Hundreds of vessels, on board of which no fish were caught for dry-curing, which is essential to entitle them to bounty, have claimed and been allowed upon false statements, as has been subsequently made apparent.

Representations of this abuse being made to this department, the existing laws and regulations were brought together into the circular of February 20, 1852, which was sent to the collectors for strict enforcement.

Immediately on the promulgation of this circular, a committee from the fishing interest at Gloucester, Massachusetts, one of the principal fishing districts of the country, appeared here and represented that, should this circular be rigidly enforced, no bounties could be paid.

Among other objections to its provisions, they stated that the mode of carrying on the fisheries had essentially changed; that few or none of the fishermen at the present time were in fact compensated in the mode required. It was also represented that in former times, when codfish alone possessed commercial value, all other fish which might happen to be caught were thrown overboard; but now, when halibut, and other fish caught on the same grounds with cod are taken, they cannot be thrown away, as some of them are more valuable in the markets than cod, and it was a great hardship to refuse bounty to vessels which might happen to take such fish and to preserve them fresh for sale. This department was appealed to for relief. The records of 1851 and 1852 contain an extensive correspondence with collectors, urging such relaxation as might enable them to pay bounties to such vessels.

Having no power to repeal the conditions annexed by law to the allowance of bounties, this could not be done; but it appears that the bounties were claimed and paid upon formal proofs duly made up as required by the circular.

Many of the vessels to which bounties are paid upon proofs prepared in conformity with the regulations, beyond all doubt, are manned by crews compensated in a different mode from that required by law; and probably the fishery pursued is not exclusively for codfish for the purpose of dry-curing, as contemplated by all the provisions of the bounty laws. Under this state of things, an important question of expediency, as well as of morality, arises, since these laws, instead of furnishing encouragement for seamen, mainly encourage the commission of multiplied perjuries, and tend to the demoralization of a large class of the community.

Several indictments for perjury committed in making up these proofs have been tried within two or three years, which have generally resulted in acquittal, it being found in some sections of the country difficult, if not impossible, to convict for perjury on false custom-house oaths. Further facts and considerations on this subject may be found in my annual report on the finances of 6th December, 1853, and in

the report of J. Ross Browne, esq., accompanying the same, to which I beg leave to respectfully refer you.

Very respectfully, your obedient servant,

JAMES GUTHRIE,
Secretary of the Treasury.

Hon. C. C. CLAY, Jr.,
Senate of the United States.

3.

TREASURY DEPARTMENT, *January 23, 1860.*

SIR: In compliance with the request of your letter of the 3d ult., I have the honor to inclose herewith the official statements of the Register of the Treasury, "showing the number of vessels, men, and tonnage employed in the whale, cod, and mackerel fisheries; the allowances paid to fishing vessels; the bounty on salted provisions, and pickled fish, together with the number and cost of maintenance and revenue cutters stationed in the fishing districts."

Also a statement of the amount of allowances paid to each State, and the number of vessels, men, and tonnage employed in the fisheries of each State during the year 1859; together with the rate of duty on salt.

In regard to your request for further information in general terms, I beg leave to state that my views have undergone no change since my last communication to the Committee on Commerce on this subject, but the opinions therein expressed are more confirmed.

Very respectfully, your obedient servant,

HOWELL COBB,
Secretary of the Treasury.

Hon. C. C. CLAY, Jr.,
Chairman of Committee on Commerce Senate U. S.

A.

Synopsis of vessels and tonnage, men employed, capital invested, fish taken, and gross proceeds of cod and mackerel fisheries of Massachusetts, (extracted from Industry of Massachusetts,) for the year ending June 1, 1855.

Names of ports.	Page of book.	Number of vessels employed.	Tonnage.	Number of men employed.	Amount of capital invested.	Value of mackerel.	Value of cod.	Value of oil.	Aggregate value.	Per ct. of gross earnings on capital.
Barnstable	2	17	1,300	160	\$38,500	\$4,400	\$29,000	.....	\$33,400	87
Brewster	3	3	210	30	4,000	10,000	.....	\$50	10,050	250
Chatham	5	27	1,880	230	30,000	24,000	45,000	.....	69,000	230
Dennis	16	48	2,130	500	96,000	77,252	42,000	.....	119,252	124
Earham	7	3	168	30	6,000	7,500	800	.....	8,300	138
Hanride	10	28	2,040	280	86,000	45,600	17,400	.....	63,000	73
Provincetown	13	97	8,495	873	388,000	60,000	246,875	400	307,275	80
Wellfleet	17	80	5,935	824	220,175	129,000	27,716	.....	156,716	71
Yarmouth	18	15	1,035	170	33,681	9,082	9,350	.....	18,432	55
Beverley	116	48	3,689	384	152,000	1,500	108,600	50	110,150	72
Gloucester	126	282	19,374	2,820	989,250	388,809	293,850	1,020	683,679	70
Manchester	144	10	549	71	16,400	.....	16,325	.....	16,325	99
Marblehead	145	45	3,805	280	138,050	.....	163,764	7,217	170,981	124
Nahant	149	4	150	30	4,000	4,000	6,000	300	10,300	258
Newburyport	153	66	3,857	665	138,000	86,000	30,000	9,000	125,000	91
Rockport	157	65	1,895	357	46,250	33,182	53,000	7,392	93,574	202
Swampscot	167	39	1,000	226	689,150	50,000	196,560	5,300	251,860	37
Duxbury	417	11	447	64	11,800	14,960	6,811	.....	21,771	18
Hingham	426	20	1,495	264	59,785	44,364	4,500	.....	48,864	82
Kingston	430	10	1,049	86	40,000	.....	22,700	.....	22,700	57
Plymouth	441	53	3,778	412	135,000	.....	90,606	5,300	95,906	49
Boston	458	89	7,100	1,000	260,000	287,000	.....	30,000	317,000	121
Total .....	.....	1,050	71,372	9,756	3,638,041	1,276,649	1,410,857	66,029	2,753,535	(*)

(*) Average nearly 76 per cent.

NOTE.—These proceeds do not include the bounty, or, it seems, the value of the fish sold fresh, which is not reported except at Rockport, where it amounted to \$15,750. The same report gives 473,743 bushels of salt used in the fisheries, the duty on which, at $2\frac{1}{4}$ cents, would have been \$11,843 57, less than one-third of one per cent. on capital invested.

B.

Condensed statement exhibiting the number of vessels, men, and tonnage employed in the whale, cod, and mackerel fisheries; allowances paid to fishing vessels; bounty on salted provisions and pickled fish; and duties on salt consumed, annually, from the commencement of the government to the 30th June, 1859; with the number and cost of maintenance of revenue cutters stationed at the fishing districts during the last ten years.

Years.	WHALE-FISHERY.			CODFISHERY.			MACKEREL-FISHERY.			Allowances paid to fishing vessels.	Bounty on salted provisions and pickled fish.	Duties on salt consumed.	REVENUE CUTTERS.	
	Estimated number of vessels.	Tonnage.	Estimated number of crew.	Estimated number of vessels.	Tonnage.	Estimated number of crew.	Estimated number of vessels.	Tonnage.	Estimated number of crew.				Number of vessels.	Cost of maintenance.
1791.....											\$29,683			
1792.....											44,772			
1793.....										\$72,968	16,731			
1794.....										93,765	13,767			
1795.....										66,282	14,855			
1796.....										76,889	16,999			
1797.....										80,465	12,369			
1798.....										94,688	19,220			
1799.....										128,607	20,769			
1800.....										87,855	18,325			
1801.....										74,520	28,586	\$576,361		
1802.....										104,448	29,701	648,847		
1803.....										117,173	34,790	552,130		
1804.....										145,988	46,923	487,848		
1805.....										152,927	37,746	563,291		
1806.....										162,190	37,134	686,820		
1807.....										161,253	27,414	515,920		
1808.....										143,716	17,241			
1809.....										47,165	2,424			
1810.....										3,406	508			
1811.....											784			
1812.....														
1813.....														
1814.....												75,822		
1815.....	4	1,230	98	530	26,510	3,711				1,811		853,637		
1816.....	4	1,168	93	757	37,879	5,303				84,735	584	984,694		
1817.....	17	5,224	317	1,078	53,990	7,558				119,915	4,427	461,842		
1818.....	55	16,549	1,323	1,170	58,552	8,190				148,918	5,672	550,479		
1819.....	108	32,387	2,590	1,300	65,045	9,105				161,622	5,477	595,172		
1820.....	121	36,444	2,915	1,216	60,843	8,517				197,833	11,169	803,914		

1821	93	28,005	2,320	1,026	51,351	7,189				170,054	11,108	624,369		
1822	160	48,083	3,846	1,168	58,405	8,176				149,897	10,158	707,665		
1823	135	40,504	3,240	1,340	67,041	9,385				176,711	10,939	889,948		
1824	111	33,346	2,667	1,364	68,239	9,552				197,179	10,082	618,410		
1825	118	35,379	2,830	1,412	70,626	9,886				198,728	10,561	707,475		
1826	140	41,984	3,358	1,270	63,535	8,894				215,860	13,640	620,923		
1827	153	45,992	3,679	1,474	73,710	10,318				206,185	8,879	851,031		
1828	188	56,621	4,529	1,498	74,946	10,491				239,147	9,026	785,030		
1829	191	57,284	4,583	1,956	97,889	13,704				231,071	9,008	1,180,231		
1830	132	39,705	3,176	1,160	58,041	8,125	599	35,973	4,772	197,641	9,073	1,054,436		
1831	276	82,798	6,623	1,144	57,239	8,012	770	46,211	6,160	199,631	13,400	825,330		
1832	244	73,246	5,659	1,034	51,725	7,240	790	47,428	6,320	219,747	14,392	1,002,395		
1833	339	101,637	8,130	1,170	58,569	8,198	812	48,725	6,496	245,183	13,284	677,810		
1834	361	108,423	8,673	1,049	52,473	7,345	1,018	61,082	8,144	218,220	10,852	555,404		
1835	361	108,423	8,673	1,049	52,473	7,345	1,018	61,082	8,144	223,787	9,537	487,532		
1836	487	146,254	11,700	1,168	58,413	8,177	774	46,424	6,192	213,090	6,732	433,479		
1837	423	127,137	10,170	1,511	75,055	10,507	780	46,811	6,240	250,180	7,360	538,202		
1838	416	124,856	9,988	1,279	63,974	8,955	944	56,649	7,552	314,150	5,474	555,349		
1839	440	132,194	10,571	1,305	95,268	9,136	599	35,984	4,792	319,845	4,744	473,672		
1840	456	136,927	10,954	1,358	67,926	9,508	471	28,269	3,758	301,631	4,954	569,384		
1841	525	157,405	12,592	1,211	60,656	8,477	188	11,321	1,504	355,141	4,760	468,907		
1842	506	151,990	11,159	988	49,940	6,991	268	16,097	2,144	235,613	5,629	388,965		
1843	508	152,517	12,201	1,098	54,901	7,686	196	11,776	1,568	169,934	3,315	433,403		
1844	562	168,614	13,488	1,562	78,179	10,943	269	16,171	2,152	249,075	6,664	654,881		
1845	636	190,903	15,272	1,396	69,826	9,774	357	21,413	2,856	289,839	4,174	678,069		
1846	625	187,420	14,993	1,450	72,516	10,151	608	36,463	4,864	274,944	5,541	509,244		
1847	646	193,859	15,508	1,402	70,178	9,823	524	31,451	4,192	276,427	6,488	292,892		
1848	645	192,613	15,408	1,653	82,652	11,571	726	43,559	5,808	243,434	748	205,531		
1849	600	180,187	14,415	1,477	73,882	10,342	716	42,942	5,728	287,604	68	284,906		
1850	487	146,017	11,608	1,712	85,646	11,990	968	58,112	7,744	286,796		245,503	*4	\$16,969
1851	605	181,645	14,531	1,749	87,476	12,245	842	50,539	6,736	328,267		205,060	4	20,913
1852	646	193,798	15,502	2,053	102,659	14,371	1,209	72,546	9,672	304,569		220,478	4	30,969
1853	644	193,203	15,456	1,999	99,990	13,997		59,850	7,976	323,199		208,315	4	23,423
1854	606	181,901	14,552	2,043	102,194	14,306	584	35,041	4,672	374,286		258,195	4	34,434
1855	623	186,848	14,947	2,058	102,928	14,408	360	21,625	2,880	346,196		338,517	4	49,095
1856	631	189,461	15,156	1,916	95,816	13,413	498	29,886	3,984	271,838		390,856	4	39,106
1857	816	195,772	19,584	1,935	104,573	13,545	525	28,328	4,200	464,178		398,273	4	54,179
1858	662	198,594	15,888	2,385	119,254	16,695	493	29,594	3,944	389,500		465,321	4	45,861
1859	619	185,728	14,856	2,593	129,637	18,151	451	27,070	3,608	426,962		190,965	4	35,300
Total.....	17,125	5,090,274	409,821	64,476	3,232,520	451,407	19,354	1,158,422	154,802	12,944,998	728,756	29,053,133	40	350,249

* Stationed at Passamaquoddy, Portland, Boston, and New London.

† Changed by reason of corrections upon final settlements of accounts.

‡ Rate of duty on salt, under tariff of 1857, 15 per centum.

|| 1791 to 1811, inclusive, bounty on salted provisions and pickled fish..... \$470,771
 1816 to 1849, inclusive, bounty on pickled fish only..... 257,985

728,756

Statement showing the amount of allowance paid to each State.

Maine.....	\$4,175,050
New Hampshire.....	563,134
Massachusetts.....	7,926,273
Connecticut.....	182,853
Rhode Island.....	78,890
New York.....	18,319
Virginia.....	479
Total.....	12,944,998

Number of vessels, men, and tonnage in the whale, cod, and mackerel fisheries during the year 1859 belonging to each State.

States.	Whale-fishery.			Codfishery.			Mackerel-fishery.			Total.		
	Estimated No. of vessels.	Tonnage.	Estimated No. of crew.	Estimated No. of vessels.	Tonnage.	Estimated No. of crew.	Estimated No. of vessels.	Tonnage.	Estimated No. of crew.	Estimated No. of vessels.	Tonnage.	Estimated No. of crew.
Maine.....	.....	.....	.....	1,269	63,477	8,883	163	9,814	1,304	1,432	73,291	10,187
New Hampshire.....	.....	.....	.....	43	2,137	301	4	218	32	47	2,355	333
Massachusetts.....	514	154,049	12,336	1,138	56,919	7,966	284	17,638	2,272	1,936	228,006	22,574
Rhode Island...	19	5,708	456	10	475	70	.....	.....	.....	29	6,183	526
Connecticut.....	57	17,213	1,368	125	6,228	875	.....	.....	.....	182	23,441	2,243
New York.....	29	8,758	696	8	401	56	.....	.....	.....	37	9,159	752
Total.....	619	185,728	14,856	2,593	129,637	18,151	451	27,070	3,608	3,663	342,435	36,615

NOTE.—The returns of tonnage in the mackerel-fisheries were not required to be made separate from the cod-fishery prior to 1830.

F. BIGGER, Register.

TREASURY DEPARTMENT, Register's Office, January 22, 1860.

Statement exhibiting the rate of duty on salt consumed in the United States for the following years.

Nine months to June 30, 1843.....	8 cents per bushel of 56 lbs...	Specific.....
Year ending June 30, 1844.....	8.....do.....	.....do.....
1845.....	8.....do.....	.....do.....
1846.....	8.....do.....	.....do.....
Five months to November 30, 1846...	8.....do.....	.....do.....
Seven months to June 30, 1847.....	2.59.....do.....	Ad valorem.....
Year ending June 30, 1848.....	2.30.....do.....	.....do.....
1849.....	2.46.....do.....	.....do.....
1850.....	2.19.....do.....	.....do.....
1851.....	2.40.....do.....	.....do.....
1852.....	2.18.....do.....	.....do.....
1853.....	2.07.....do.....	.....do.....
1854.....	2.55.....do.....	.....do.....
1855.....	2.63.....do.....	.....do.....
1856.....	2.55.....do.....	.....do.....
1857.....	2.33.....do.....	.....do.....
1858.....	1.65.....do.....	.....do.....
1859.....	1.54.....do.....	.....do.....